रजिस्ट्री सं० डी० 221 REGISTERED No. D. 221

भारत का राजपत्र
The Gazette of India

EXTRAORDINARY
भाग II—खण्ड 2
PART II—Section 2
प्राधिकार से प्रकाशित
PUBLISHED BY AUTHORITY

सं० 71] नई दिल्ली, शुक्रवार, दिसम्बर 14, 1973/अग्रहायण 23, 1895
No. 71] NEW DELHI, FRIDAY, DECEMBER 14, 1973/AGRAHAYNA 23, 1895

इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।
Separate paging is given to this Part in order that it may be filed as a separate compilation.

## LOK SABHA

The following Bills were in introduced in Lok Sabha on the 14th December, 1973:—

BILL NO. 97 OF 1973

*A Bill to provide for the acquisition and transfer of the Konkan passenger ships in order to serve better the needs of the maritime passengers of the Konkan coastal region and for matters connected therewith or incidental thereto.*

WHEREAS Messrs. Chowgule Steamships Limited, a company, was running the Konkan coastal passenger shipping service;

AND WHEREAS the Konkan coastal passenger shipping service, which was suspended owing to the monsoons, was to be resumed by the said company by the first week of September, 1973, but has not yet been resumed, and the non-resumption of such passenger service is causing undue hardship to the maritime passengers of the Konkan coastal region;

AND WHEREAS complaints have been received by the Central Government to the effect that the Konkan coastal passenger shipping service was not being run by the said company according to schedule and that the said service was irregular, unpunctual and undependable;

AND WHEREAS in the interests of the maritime passengers of the Konkan coastal region it is urgently necessary to resume the Konkan coastal passenger shipping service and for that purpose to acquire the ships, known as "Konkan Sevak" and "Sarita" with which the said passenger shipping service was being run by the said company.

BE it enacted by Parliament in the Twenty-fourth Year of the Republic of India as follows:—

## CHAPTER I

### PRELIMINARY

Short title and commencement.

1. (*1*) This Act may be called the Konkan Passenger Ships (Acquisition) Act, 1973.

(*2*) It shall be deemed to have come into force on the 7th day of November, 1973.

Definitions.

2. (*1*) In this Act, unless the context otherwise requires,—

(*a*) "appointed day" means the 7th day of November, 1973;

(*b*) "company" means the Chowgule Steamships Limited, being a company as defined in the Companies Act, 1956, and having its registered office in the Union territory of Goa, Daman and Diu; 1 of 1956.

(c) "Government company" has the meaning assigned to it by section 617 of the Companies Act, 1956; 1 of 1956.

(*d*) "Konkan coast" means that part of the western coast of India which is commonly known as the "Konkan coast";

(*e*) "Konkan passenger ships" means the passenger ships, known as "Konkan Sevak" and "Sarita" and owned by the company.

(*2*) Words and expressions used in this Act and not defined but defined in the Merchant Shipping Act, 1958, have the meanings respectively assigned to them in that Act. 44 of 1958.

## CHAPTER II

### ACQUISITION OF THE KONKAN PASSENGER SHIPS

Acquisition of the Konkan passenger ships.

3. On the appointed day, the ownership of the Konkan passenger ships shall, by virtue of this Act, stand transferred to, and vest in, the Central Government free from all incumbrances.

Power of Central Government to direct vesting of Konkan passenger ships in a Government Company.

**4.** (*1*) Notwithstanding anything contained in section 3, the Central Government may, if it is satisfied that a Government company is willing to comply, or has complied, with such terms and conditions as that Government may think fit to impose, direct, by an order in writing, that the ownership in relation to the Konkan passenger ships shall, instead of continuing to vest in the Central Government, vest in that Government company either on the date of publication of the direction or on such earlier or later date (not being a date earlier than the appointed day) as may be specified in the direction.

(*2*) Where an order vesting the ownership of the Konkan passenger ships in any Government company is made under sub-section (*1*), all the rights, liabilities and obligations of the Central Government in relation to such ships shall, on and from the date of such vesting, be deemed to have become the rights, liabilities and obligations, respectively, of the Government company.

General effect of vesting.

**5.** (*1*) For the purposes of section 3, the Konkan passenger ships shall be deemed to include all assets, rights, powers, authorities, privileges and all properties in the ships, all rights under any policy of insurance, licence or any other instrument, and all other properties belonging to or held for the purpose of running, the ships (or for which any order has been placed by the company), including fuels, stores, machinery, apparatus, navigational aids, maps, charts, spare tail shafts, spare propellers and other spare parts, whether on board or on the shore.

(*2*) If on the appointed day any suit, appeal or other proceeding of whatever nature in relation to any business of the company relating to the Konkan coastal passenger shipping service or the Konkan passenger ships is pending by or against the company, the same shall not abate, be discontinued or be, in any way, prejudicially affected by reason of the transfer of the Konkan passenger ships, or of anything contained in this Act, but the suit, appeal or other proceeding may be continued, prosecuted and enforced by or against the company.

Central Government to become the lessee in respect of shore properties, etc.

**6.** (*1*) On and from the appointed day, a permanent lease shall be deemed to have been granted by the company in favour of the Central Government or the Government company, as the case may be, in respect of every property, movable and immovable (including jetties, wharves and other property needed for navigational purposes), on the shores of the Konkan coast and owned and used by the company immediately before the suspension of the Konkan coastal passenger shipping service for running the said service.

(*2*) The lease referred to in sub-section (*1*) shall be held by the Central Government or the Government company, as the case may be, on such terms and conditions and on the payment of such rent as may be mutually agreed upon by and between the company and the Central Government or the Government company, and in default of such agreement, as may be determined by the principal civil court of original jurisdiction within the local limits of whose jurisdiction the property in question is situated.

(*3*) Where any property, movable or immovable (including jetties, wharves and other property needed for navigational purposes), on the shores of the Konkan coast was used by the company for running the

Konkan coastal passenger shipping service and was held by it, immediately before the appointed day, under any lease or other agreement, the Central Government or the Government company, as the case may be, shall be deemed to have become substituted in place of the company as the lessee of such property or as party to such other agreement, as the case may be, and shall hold such lease or other agreement on the same terms and conditions on which it was being held by the company immediately before the appointed day.

**Central Government or Government company not to be liable for prior liabilities.**

7. (*1*) Every liability of the company in relation to the Konkan passenger ships in respect of any period prior to the appointed day shall be enforceable against it and not against the Central Government or the Government company.

(*2*) For the removal of doubts, it is hereby declared that—

(*a*) no claim for wages, provident fund, pension, gratuity, cesses, taxes or wharfage or any other dues in respect of any period prior to the appointed day in relation to the Konkan passenger ships shall be enforceable against the Central Government or the Government company;

(*b*) no award, decree or order of any court, tribunal or other authority in relation to the Konkan passenger ships or any of them, whether passed before or after the appointed day, in relation to any matter, claim or dispute which arose before the appointed day shall be enforceable against the Central Government or the Government company;

(*c*) no liability for the contravention of any provision of law for the time being in force, made before the appointed day, shall be enforceable against the Central Government or the Government company.

**Duty to deliver possession of Konkan passenger ships.**

8. (*1*) Notwithstanding any decree, judgment or order of any court or anything contained in any other law for the time being in force or in any contract or other instrument, the company or any other person having possession of the Konkan passenger ships, shall deliver possession of such ships to the Central Government or the Government company forthwith.

(*2*) The Central Government may take or cause to be taken all necessary steps for securing possession of the Konkan passenger ships, the ownership of which has vested in it under section 3.

(*3*) Any person having in his possession, custody or control any books, documents or other papers relating to the Konkan passenger ships or any of them shall be liable to account for the said books, documents or other papers to the Central Government or to such person as that Government may specify in this behalf:

Provided that where common books, documents or other papers are maintained by the company in relation to the Konkan passenger ships or any of them and other ships, copies of so much of the books, documents and other papers as relate to the Konkan passenger ships or any of them shall be delivered forthwith to the Central Government or the person specified by that Government.

Duty to furnish inventory of articles on the ships.

9. The company shall, within such period as the Central Government may allow in this behalf, furnish to that Government a complete inventory, as on the appointed day, of the assets, instruments, apparatus and all other properties, whether on board or on the shores or elsewhere, in relation to the Konkan passenger ships.

## CHAPTER III

### PAYMENT OF AMOUNT

Payment of amount.

10. (*1*) The company shall be given by the Central Government, in cash,—

(*a*) for the vesting in it, under section 3, of the ownership of the Konkan passenger ships, and

(*b*) for the vesting in it, under section 6, of the rights specified therein,

an amount equal to a sum of rupees ninety lakhs.

(*2*) In addition to the amount specified in sub-section (*1*), the Central Government shall re-imburse the company to the extent of the expenses actually incurred by it for the annual survey of the Konkan passenger ships for the year 1973.

Amount due to the Shipping Development Fund Committee to be deducted in the first instance.

11. (*1*) Out of the amount referred to in section 10, the Central Government shall deduct, in the first instance, any amount due from the company to the Shipping Development Fund Committee in relation to the Konkan passenger ships and shall pay the sum so deducted to that Committee, and on such payment, the liability of the company in relation to the said ships shall, to the extent of such payment, stand discharged.

(*2*) The deductions referred to in sub-section (*1*) shall have priority over all other creditors, whether secured or unsecured.

## CHAPTER IV

### MISCELLANEOUS

Effect of Act on other laws.

12. The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force or any instrument having effect by virtue of any law other than this Act or any decree or order of any court, tribunal or other authority.

Contracts, etc., cease to have effect unless ratified by the Central Government or Government company

13. (*1*) Every contract entered into by the company for any service, sale or supply in relation to the Konkan passenger ships and in force immediately before the appointed day shall, on and from the expiry of thirty days from the appointed day, cease to have effect as against the Central Government or the Government company unless such contract is, before the expiry of the said period of thirty days, ratified, in writing, by the Central Government or the Government company, as the case may be, and in ratifying such contract the Central Government or the Government company may make such alterations or modifications therein as the circumstances of the case may require:

Provided that the Central Government or the Government company shall not omit to ratify a contract unless it is satisfied that such contract is unduly onerous or has been entered into in bad faith or is detrimental to the interests of the Konkan coastal passenger shipping service.

(2) The Central Government or the Government company shall not omit to ratify a contract or make any alteration or modification therein except after giving to the parties to the contract a reasonable opportunity of being heard, and except after recording, in writing, its reasons for refusal to ratify the contract or for the alteration or modification of the contract.

Penalties.

**14.** Any person who,—

(*a*) having in his possession, custody or control any property forming part of the Konkan passenger ships or any of them, wrongfully withholds such property from the Central Government or the Government company, or

(*b*) wrongfully obtains possession of, or retains, any property forming part of the Konkan passenger ships or any of them, or

(*c*) wilfully withholds or fails to furnish to the Central Government or any person specified by that Government, any document, or copy or part thereof, relating to the Konkan passenger ships or any of them which may be in his possession, custody or control or fails to deliver to the Central Government or the Government company any assets, books of account; registers or other documents in his custody relating to the Konkan passenger ships or any of them or copy of the relevant part of such documents, or

(*d*) wilfully fails to furnish an inventory as required by section 9, or furnishes an inventory which he knows, or has reasonable cause to believe, to be false, or

(*e*) wrongfully removes or destroys any property forming part of the Konkan passenger ships or any of them or prefers any claim which he knows, or has reasonable cause to believe to be false or grossly inaccurate,

shall be punishable with imprisonment for a term which may extend to two years, or with fine which may extend to one thousand rupees, or with both.

Offences by companies.

**15.** (*1*) Where an offence under this Act has been committed by a company, every person who at the time the offence was committed was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment, if he proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence

(2) Notwithstanding anything contained in sub-section (1), where any offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to, any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

*Explanation.*—For the purposes of this section,—

(a) "company" means any body corporate and includes a firm or other association of individuals; and

(b) "director", in relation to a firm, means a partner in the firm.

Protection of action taken in good faith.

**16.** No suit, prosecution or other legal proceeding shall lie against the Central Government or the Government company or any of its officers or other employees for anything which is in good faith done or intended to be done under this Act.

Cognizance of offences.

5 of 1898.

**17.** Notwithstanding anything contained in the Code of Criminal Procedure, 1898, no court shall take cognizance of any offence against this Act except on a complaint, in writing, made by the Central Government or any officer authorised in this behalf by that Government.

Delegation of powers.

**18.** (1) The Central Government may, by notification in the Official Gazette, direct that all or any of the powers exercisable by it under this Act may also be exercised by such person or persons as may be specified in the notification.

(2) Whenever any delegation of power is made under sub-section (1), the person to whom such power has been delegated shall act under the direction, control and supervision of the Central Government.

Power to make rules.

**19.** (1) The Central Government may, by notification in the Official Gazette, make rules to carry out the provisions of this Act.

(2) Every rule made by the Central Government under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

Repeal and saving.

4 of 1973.

**20.** (1) The Konkan Passenger Ships (Acquisition) Ordinance, 1973, is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the Ordinance so repealed (including any declaration or order made thereunder), shall be deemed to have been done or taken under the corresponding provisions of this Act.

## STATEMENT OF OBJECTS AND REASONS

Messrs. Chowgule Steamships Limited who were operating the Konkan Coastal passenger service had asked for an increase in passenger fares up to 42 per cent. While the matter was under consideration, the Company did not start the service in September after the monsoon, thus causing hardship to the travelling public. The Company also intimated that they will lay up the vessels from the 6th November, 1973 and also retrench the floating staff of the two ships as well as, shore staff employed on the operation of the Konkan passenger service.

2. The Central Government had also received complaints that the Konkan passenger service was not being run by the Company according to schedule and that the service was irregular, unpunctual and undependable.

3. At is was urgently necessary to re-establish the Konkan Service on a no-profit-no-loss basis and maintain it efficiently, the Central Government decided to acuire the two ships, Konkan Sevak and Sarita of the Company.

4. As Parliament was not in session, an Ordinance called the Konkan Passenger Ships (Acquisition) Ordinance, 1973 (4 of 1973) was promulgated by the President on the 7th November, 1973. The Bill seeks to replace the said Ordinance.

KAMALAPATI TRIPATHI.

NEW DELHI;
*The 1st December*, 1973.

---

## PRESIDENT'S RECOMMENDATION UNDER ARTICLE 117 OF THE CONSTITUTION OF INDIA

[Copy of letter No. 40-MD(50)/73, dated the 6th December, 1973 from Shri Kamalapati Tripathi, Minister of Shipping and Transport to the Secretary-General, Lok Sabha.]

The President having been informed of the subject matter of the Bill to provide for the acquisition and transfer of the Konkan Passenger Ships in order to serve better the needs of the maritime passengers of the Konkan coastal region and for matters connected therewith and incidental thereto recommends under clauses (1) and (3) of article 117 of the Constitution of India, the introduction and consideration of the said Bill in the Lok Sabha.

## FINANCIAL MEMORANDUM

Sub-clause (1) of clause 10 of the Bill provides for the payment of an amount of rupees ninety lakhs to Messrs. Chowgule Steamships Company Limited for the acquisition of their two ships "Konkan Sevak" and "Sarita" by virtue of clause 3 of the Bill.

Sub-clause (2) of clause 10 provides for reimbursement to Messrs. Chowgule Steamships Company Limited to the extent of the expenses actually incurred by that Company for the annual survey of the said passenger ships for the year 1973. The expenditure on this account is estimated at rupees eight lakhs.

As the ships acquired by the Ordinance have now been transferred to a Government Company, the entire amount paid by the Central Government for the acquisition of the two ships will be recovered from that Company.

The Bill, if enacted, would thus involve a temporary expenditure of rupees ninety lakhs for the acquisition of the two ships and an additional sum, for actual survey expenses, which is estimated at rupees eight lakhs. No recurring or other non-recurring expenditure is involved.

## MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 19 of the Bill seeks to confer on the Central Government general rule-making power for carrying out the provisions of the Act and all these would pertain to matters of detail or procedure. The delegation of legislative power involved is, therefore, of a normal character.

BILL NO. 98 OF 1973

*A Bill further to amend the Income-tax Act, 1961.*

BE it enacted by Parliament in the Twenty-fourth Year of the Republic of India as follows:—

Short title.

1. This Act may be called the Income-tax (Amendment) Act, 1973.

43 of 1961.

Amendment of sections 269D and 269P.

2. In the Income-tax Act, 1961 (hereinafter referred to as the principal Act),—

(*a*) in section 269D, in sub-section (*1*), in the first proviso, and in sub-clause (*i*) of clause (*a*) of the second proviso, for the words "six months", the words "nine months" shall be, and shall be deemed always to have been, substituted;

(*b*) in section 269P, in sub-section (*1*), the following shall be inserted at the end with effect from the 1st day of January, 1974, namely:—

'Provided that the provisions of this sub-section shall not apply in relation to any document which purports to transfer any immovable property for an apparent consideration not exceeding ten thousand rupees.

*Explanation*.—For the purposes of this proviso, "apparent consideration" shall have the meaning assigned to it in clause (*a*) of section 269A subject to the modifications that for the expressions "immovable property transferred" and "instrument of transfer" occurring in that clause, the expressions "immovable property purported to be transferred" and "document purporting to transfer such immovable property" shall, respectively, be substituted.'.

Validation.

**3.** (*1*) No notice for the initiation of proceedings for the acquisition of any immovable property under Chapter XXA of the principal Act which was issued by the competent authority before the commencement of this Act for publication in the Official Gazette, in the exercise of or the purported exercise of the powers under section 269D of the principal Act, shall be called in question merely on the ground that such notice was not published in the Official Gazette before the expiration of a period of six months from the end of the month in which the instrument of transfer in respect of such property was registered under the Registration Act, 1908, if such notice was either published in the Official Gazette before the expiration of a period of nine months from the end of the month in which the instrument of transfer in respect of such property was registered under the Registration Act, 1908, or could not be so published within the said period of nine months by reason of any injunction or order of any court. 16 of 1908.

(*2*) Every notice, which by virtue of the provisions of sub-section (*1*) shall not be called in question as provided therein, shall be deemed to have been issued in accordance with law and shall, for the purposes of sub-section (*1*) of section 269D of the principal Act, be deemed to have operated or, where such notice is published in the Official Gazette after the commencement of this Act, to operate, to initiate the proceedings for the acquisition of the immovable property to which such notice relates on the date of publication of such notice in the Official Gazette:

Provided that—

(*a*) the jurisdiction of a competent authority in respect of any such property may be called in question before the expiry of the period specified in sub-section (*3*) of section 269B of the principal Act or a period of thirty days from the commencement of this Act, whichever period expires later;

(*b*) objections against the acquisition of any such immovable property may be made under section 269E of the principal Act within the period allowed under that section or a period of forty-five days from the commencement of this Act, whichever period expires later.

## STATEMENT OF OBJECTS AND REASONS

The Bill seeks to amend the Income-tax Act, 1961 with a view to removing certain practical difficulties experienced in the administration of the provisions contained in Chapter XXA relating to acquisition of immovable properties in certain cases of transfer to counteract evasion of tax.

2. Under section 269D of the Income-tax Act, proceedings for the acquisition of immovable property are initiated by the competent authority by publication of a notice to that effect in the Official Gazette. The proceedings have to be initiated before the expiration of a period of six months from the end of the month in which the instrument of transfer in respect of the property is registered under the Registration Act, 1908. The statutory limitation of six months has resulted in a practical difficulty in view of the large volume of work involved inasmuch as some of the notices which were sent to the Government of India Press could not be published in time. Having regard to the fact that the estimation of the fair market value of the immovable property by the competent authority often involves reference of the question of valuation to the Valuation Officer which is time-consuming, and the fact that sufficient advance notice is required by Government of India Press for publishing these notices, it is proposed to extend the limitation for initiating acquisition proceedings by three months. It is also proposed to specifically validate past actions in cases where these notices were published in the Official Gazette after the expiry of six months but before the expiry of nine months from the end of the month in which the instrument of transfer was registered. Consequential provisions are also proposed to be made to allow extension of time to interested persons to file objections in respect of cases which are now proposed to be validated.

3. Section 269P of the Income-tax Act provides that no registering officer shall register any document purporting to transfer any immovable property unless a statement in duplicate in respect of such transfer is furnished to him alongwith the instrument of transfer. The statement is required to be furnished in respect of every immovable property regardless of its value. The registering officer is required to forward the statements received by him to the competent authority concerned in fortnightly batches. The collection and submission of statements under section 269P has thrown considerable burden on registering officers. With a view to keeping the administrative work within manageable limits, it is proposed to amend section 269P in order to provide that no statement will be required to be furnished in any case where the consideration declared in the instrument of transfer does not exceed Rs. 10,000.

4. The Bill seeks to give effect to the above objects.

Y. B. CHAVAN.

NEW DELHI;
*The 6th December*, 1973.

## PRESIDENT'S RECOMMENDATION UNDER ARTICLES 117 AND 274 OF THE CONSTITUTION OF INDIA

[Extract from letter dated the 11th December, 1973 from Shri Y. B. Chavan, Minister of Finance to the Secretary-General, Lok Sabha.]

The President having been informed of the subject matter of the Income-tax (Amendment) Bill, 1973 has recommended under articles 117(1) and 274(1) of the Constitution the introduction of the Bill in the Lok Sabha.

BILL NO. 99 OF 1973.

*A Bill further to amend the Constitution of India.*

BE it enacted by Parliament in the Twenty-fourth Year of the Republic of India as follows:—

Short title and commencement.

**1.** (*1*) This Act may be called the Constitution (Thirty-third **Amendment) Act, 1973.**

(*2*) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

Amendment of article 371.

**2.** Clause (1) of article 371 of the Constitution shall be omitted, and in the marginal heading to that article, the words "Andhra Pradesh," shall be omitted.

Insertion of new articles 371D and 371E.

**3.** After article 371C of the Constitution, the following articles shall be inserted, namely:—

Special provisions with respect to the State of Andhra Pradesh.

"371D. (1) The President may by order made with respect to the State of Andhra Pradesh provide, having regard to the requirements of the State as a whole, for equitable opportunities and facilities for the people belonging to different parts of the State, in the matter of public employment and in the matter of education, and different provisions may be made for various parts of the State.

(2) An order made under clause (1) may, in particular,—

(*a*) require the State Government to organise any class or classes of posts in a civil service of, or any class or classes of civil posts under, the State into different local cadres for different parts of the State and allot in accordance with such principles and procedure as may be specified in the order the persons holding such posts to the local cadres so organised;

(*b*) specify any part or parts of the State which shall be regarded as the local area—

(*i*) for direct recruitment to posts in any local cadre (whether organised in pursuance of an order under this article or constituted otherwise) under the State Government;

(*ii*) for direct recruitment to posts in any cadre under any local authority within the State; and

(*iii*) for the purposes of admission to any University within the State or to any other educational institution which is subject to the control of the State Government;

(*c*) specify the extent to which, the manner in which and the conditions subject to which, preference or reservation shall be given or made—

(*i*) in the matter of direct recruitment to posts in any such cadre referred to in sub-clause (*b*) as may be specified in this behalf in the order;

(*ii*) in the matter of admission to any such University or other educational institution referred to in sub-clause (*b*) as may be specified in this behalf in the order,

to or in favour of candidates who have resided or studied for any period specified in the order in the local area in respect of such cadre, University or other educational institution, as the case may be.

(3) The President may, by order, provide for the constitution of as Administrative Tribunal for the State of Andhra Pradesh to exercise such jurisdiction, powers and authority [including any jurisdiction, power and authority which immediately before the commencement of the Constitution (Thirty-third Amendment) Act, 1973, was exercisable by any court (other than the Supreme Court) or by any tribunal or other authority] as may be specified in the order with respect to the following matters, namely:—

(*a*) appointment, allotment or promotion to such class or classes of posts in any civil service of the State, or to such class or classes of civil posts under the State, or to such class or classes of posts under the control of any local authority within the State, as may be specified in the order;

(*b*) seniority of persons appointed, allotted or promoted to such class or classes of posts in any civil service of the State, or to such class or classes of civil posts under the State, or to such class or classes of posts under the control of any local authority within the State, as may be specified in the order;

(c) such other conditions of service of persons appointed, allotted or promoted to such class or classes of posts in any civil service of the State or to such class or classes of civil posts under the State or to such class or classes of posts under the control of any local authority within the State, as may be specified in the order.

(4) An order made under clause (3) may—

(a) authorise the Administrative Tribunal to receive representations for the redress of grievances relating to any matter within its jurisdiction as the President may specify in the order and to make such orders thereon as the Administrative Tribunal deems fit;

(b) contain such provisions with respect to the powers and authorities and procedure of the Administrative Tribunal (including provisions with respect to the powers of the Administrative Tribunal to punish for contempt of itself) as the President may deem necessary;

(c) provide for the transfer to the Administrative Tribunal of such classes of proceedings, being proceedings relating to matters within its jurisdiction and pending before any court (other than the Supreme Court) or tribunal or other authority immediately before the commencement of such order, as may be specified in the order;

(d) contain such supplemental, incidental and consequential provisions (including provisions as to fees and as to limitation, evidence or for the application of any law for the time being in force subject to any exceptions or modifications) as the President may deem necessary.

(5) The order of the Administrative Tribunal finally disposing of any case shall become effective upon its confirmation by the State Government or on the expiry of three months from the date on which the order is made, whichever is earlier:

Provided that the State Government may, by special order made in writing and for reasons to be specified therein, modify or annul any order of the Administrative Tribunal before it becomes effective and in such a case, the order of the Administrative Tribunal shall have effect only in such modified form or be of no effect, as the case may be.

(6) Every special order made by the State Government under the proviso to clause (5) shall be laid, as soon as may be after it is made, before both Houses of the State Legislature.

(7) The High Court for the State shall not have any powers of superintendence over the Administrative Tribunal and no court (other than the Supreme Court) or tribunal shall exercise any jurisdiction, power or authority in respect of any matter subject to the jurisdiction, power or authority of, or in relation to, the Administrative Tribunal.

(8) If the President is satisfied that the continued existence of the Administrative Tribunal is not necessary, the President may by order abolish the Administrative Tribunal and make such provisions in such order as he may deem fit for the transfer and disposal of cases pending before the Tribunal immediately before such abolition.

(9) Notwithstanding any judgment, decree or order of any court, tribunal or other authority,—

(*a*) no appointment, posting, promotion or transfer of any person—

(*i*) made before the 1st day of November, 1956, to any post under the Government of, or any local authority within, the State of Hyderabad as it existed before that date; or

(*ii*) made before the commencement of the Constitution (Thirty-third Amendment) Act, 1973, to any post under the Government of, or any local or other authority within, the State of Andhra Pradesh; and

(*b*) no action taken or thing done by or before any person referred to in sub-clause (*a*),

shall be deemed to be illegal or void or ever to have become illegal or void merely on the ground that the appointment, posting, promotion or transfer of such person was not made in accordance with any law, then in force, providing for any requirement as to residence within the State of Hyderabad or, as the case may be, within any part of the State of Andhra Pradesh, in respect of such appointment, posting, promotion or transfer.

(10) The provisions of this article and of any order made by the President thereunder shall have effect notwithstanding anything in any other provision of this Constitution or in any other law for the time being in force.

Establishment of Central University in Andhra Pradesh.

371E. **Parliament may by law provide for the establishment of a University in the State of Andhra Pradesh.**".

Amendment of Seventh Schedule.

4. In the Seventh Schedule to the Constitution, in List I, in entry 63, for the words "Delhi University, and", the words, figures and letter "Delhi University; the University established in pursuance of article 371E;" shall be substituted.

## STATEMENT OF OBJECTS AND REASONS

When the State of Andhra Pradesh was formed in 1956, certain safeguards were envisaged for the Telangana area in the matter of development and also in the matter of employment opportunities and educational facilities for the residents of that area. The provisions of clause (*1*) of article 371 of the Constitution were intended to give effect to certain features of these safeguards. The Public Employment (Requirement as to Residence) Act, 1957, was enacted *inter alia* to provide for employment opportunities for residents of Telangana area. But in 1969, the Supreme Court held the relevant provision of the Act to be unconstitutional in so far as it related to the safeguards envisaged for the Telangana area. Owing to a variety of causes, the working of the safeguards gave rise to a certain amount of dissatisfaction sometimes in the Telangana area and sometimes in the other areas of the State. Measures were devised from time to time to resolve the problems. Recently several leaders of Andhra Pradesh made a concerted effort to analyse the factors which have been giving rise to the dissatisfaction and find enduring answers to the problems with a view to achieving fuller emotional integration of the people of Andhra Pradesh. On the 21st September, 1973, they suggested certain measures (generally known as the Six-Point Formula) indicating a uniform approach for promoting accelerated development of the backward areas of the State so as to secure the balanced development of the State as a whole and for providing equitable opportunities to different areas of the State in the matter of education, employment and career prospects in public services. This formula has received wide support in Andhra Pradesh and has been endorsed by the State Government.

2. This Bill has been brought forward to provide the necessary constitutional authority for giving effect to the Six-Point Formula in so far as it relates to the provision of equitable opportunities for people of different areas of the State in the matter of admission to educational institutions and public employment and constitution of an Administrative Tribunal with jurisdiction to deal with certain disputes and grievances relating to public services. The Bill also seeks to empower Parliament to legislate for establishing a Central University in the State and contains provisions of an incidental and consequential nature including the provision for the validation of certain appointments made in the past. As the Six-Point Formula provides for the discontinuance of the Regional Committee constituted under clause (1) of article 371 of the Constitution, the Bill also provides for the repeal of that clause.

UMA SHANKAR DIKSHIT.

NEW DELHI;
*The 12th December*, 1973.

## FINANCIAL MEMORANDUM

Clause (3) of the new article 371D proposed in clause 3 of the Bill provides for the constitution of an Administrative Tribunal for the State of Andhra Pradesh. Some expenditure will be involved on the salaries and allowances of the members of the Tribunal and its staff, etc. This expenditure will be met from the consolidated fund of the State. Article 371E proposed in clause 3 of the Bill seeks to empower Parliament to provide by law for the establishment of a University in the State of Andhra Pradesh. As this will be a Central University, it will receive grants from the University Grants Commission and, in turn, the Commission will have to be given grants from the Consolidated Fund of India to meet this expenditure. The recurring and non-recurring expenditure likely to be involved in establishing the University will be known only after the details of the entire project have been worked out. However, on a rough estimate the expenditure is likely to be of the order of rupees five crores during the Fifth Five Year Plan.

BILL NO. 101 OF 1973

*A Bill to provide for the repeal of Mulki Rules.*

BE it enacted by Parliament in the Twenty-fourth Year of the Republic of India as follows:—

Short title and commencement.

**1.** (*1*) This Act may be called the Mulki Rules (Repeal) Act, 1973.

(*2*) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

Definition

**2.** In this Act, "Mulki Rules" shall have the same meaning as in the Mulki Rules Act, 1972. 79 of 1972

Repeal of Mulki Rules.

**3.** Upon the commencement of this Act, the Mulki Rules as in force immediately before such commencement shall, notwithstanding anything contained in the Mulki Rules Act, 1972, cease to have effect and are hereby repealed: 79 of 1972.

Provided that such repeal shall not affect the validity of any appointment previously made in accordance with those rules.

## STATEMENT OF OBJECTS AND REASONS

According to the Six-Point Formula for Andhra Pradesh the approach indicated in that Formula would render the continuance of the Mulki Rules unnecessary. The Formula has received wide support in Andhra Pradesh and has been endorsed by the State Government. Action to implement the Formula has been taken in hand. Accordingly, this Bill provides for the repeal of the Mulki Rules which are still in force in respect of certain categories of posts under the State Government.

UMA SHANKAR DIKSHIT.

NEW DELHI;
*The 12th December*, 1973.

---

S. L. SHAKDHER,
*Secretary-General.*

PRINTED BY THE MANAGER, GOVERNMENT OF INDIA PRESS, MINTO ROAD, NEW DELHI AND PUBLISHED BY THE CONTROLLER OF PUBLICATIONS, DELHI, 1974